REMARKS

Reconsideration and allowance of the subject application are respectfully solicited.

Claims 1, 6 through 10, and 15 through 22 are pending, with Claims 1 and 10 being independent. Claims 3 and 12 have been cancelled without prejudice. Claims 1, 6 through 10, and 15 through 17 have been amended. Claims 21 and 22 have been added.

Claims 1, 3, 6 through 10, 12, and 15 through 19 yet again were variously rejected under 35 U.S.C. §§ 102 and 103 over US 2001/0048770 A1 (Macda) in view of U.S. Patent No. 5,091,955 (Iseda, et al.) and U.S. Patent No. 6,188,831 B1 (Ichimura). All rejections are respectfully traversed.

Claims 1 and 10 variously recites, *inter alia*, setting an execution of the encoding in the second encoding unit or step in a case that the image encoding setting unit or step effects the setting (to encode the image data so that a partial region in each of frame images is encoded with a high image quality (Claim 1) or to control an image quality of encoded image data in accordance with a partial region in each of frame images (Claim 10)), with integrating data encoded by the first audio encoding unit or step with encoded image data encoded by the image encoding unit or step in a case that the image encoding setting unit or step does <u>not</u> effect the setting, and integrating, with the encoded image data, a selected one of the data encoded by the first audio encoding unit or step (encoding by a method for encoding general audio data) and the data encoded by the second audio encoding unit or step (encoding by a method suitable for encoding speech data), in a case that the image encoding setting unit or step effects the setting.

However, Applicant respectfully submits that none of Maeda, Iseda, and Ichimura, even in the proposed combinations, discloses or suggests at least the above-discussed claimed features as recited, *inter alia*, in Claims 1 and 10. The Official Action acknowledges that Maeda is deficient at least as regards such features, and therefore relies upon Ichimura and Iseda. Applicant respectfully traverses such reliance. Applicant

respectfully submits that Ichimura discloses, e.g., that image data and/or audio data are compressed when the level of importance is low, and for important intervals, those intervals are not compressed or the compression ratio is reduced so high quality is maintained (e.g., col. 18, lines 50-63), while Iseda discloses, e.g., plural entropy coders; however, Applicant respectfully submits that even if such could be combined with Maeda, arguendo, the combination would fail to disclose or suggest at least the above-discussed claimed features as recited, inter alia, in Claims 1 and 10.

It is further respectfully submitted that there has been no showing of any indication of motivation in the cited documents that would lead one having ordinary skill in the art to arrive at such features.

The dependent claims are also submitted to be patentable because they set forth additional aspects of the present invention and are dependent from independent claims discussed above. Therefore, separate and individual consideration of each dependent claim is respectfully requested.

Applicant submits that this application is in condition for allowance, and a Notice of Allowance is respectfully requested.

Applicant's undersigned attorney may be reached in our Washington, D.C. office by telephone at (202) 530-1010. All correspondence should continue to be directed to our address given below.

Respectfully submitted,

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